DEPARTMENT OF COMMERCE

Division of Simplified Practice

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EXTRA DIVIDENDS

Newspaper comment and word-of-mouth gossip in financial centers often occupies considerable time in speculations about whether some stock or another is to pay extra dividends. Often trading is active in stocks about which such conjectures are current, traders seeking to participate in the "cutting of the melon". And the stocks which have a record of frequent extra dividends are always in constant demand, when the extra dividends are based on sound business practice.

There is an equal opportunity for "extra dividends" to be obtained by those who have had a part in Simplified Practice Recommendations. This opportunity lies in the acceptance by each group of the simplifications as developed by another group; so that there may accrue to each participant the influence of all of the others in the adherence to simplifications in general.

While it may not be apparent at first glance, it is a fact that one simplifying group may be producing articles or commodities that are consumed by another group which is engaged in a simplification work of its own products. Obviously, the full exchange of acceptances of the simplifications by each will work to the advantage of the other.

Such an exchange of acceptances of Simplified Practice Recommendations promotes a closer and more general adherence of all programs. To those who have adopted simplification in their own industry, who are finding material gains, the "cross-acceptance" brings added influence, and helps to broadcast the action to a greater degree. It also brings to each program the viewpoint of others as to methods, progress or needed changes, which the standing committees may consider with profit. In short, it is a case of a group which is benefitting in one industry stretching out a cooperative hand to a similar group from some other industry; a cooperation which is a growing trend of our whole social life.

With full application of interlocking acceptances, it is not stretching the imagination too far to foresee a time when it will be possible to assemble a "directory of Simplified Practice Recommendations" and a directory of acceptors to indicate to the industries of the country the extent of application and the degree to which Simplified Practice has spread. And it is then that the interlocking of acceptances will bring to each of the groups added benefits which will constitute the "extra dividends".

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Requests have been received that the Division consider the simplification of hard surface floor coverings such as linoleums, congoleums, oilcloths etc. The members of the Floor Covering Association are being canvassed for suggestions through Morris Dobrow, their secretary.

The University of Birmingham, Birmingham, England, has placed in its library Simplified Practice Recommendation No. 36 on Milling Cutters. This is another proof that British engineers are awakening to the need for British Simplified Practice. It is also a hint for American industry.

At a conference of makers, distributors and users of sidewalk and vault glass, architects and others, held on November 18, reduction of styles from 80 to 5; sizes from 120 to 6; and 10 shapes to 2 was adopted unanimously.

During the last month, the International Railway Fuel Association, with 1100 members, was registered among those making formal acceptance of the standard invoice, purchase order and inquiry forms.

Reductions amounting to approximately 75% in the variety and sizes of die head chasers used in automatic screw threading machinery were adopted by a general conference of manufacturers, distributors and consumers on December 4. The manufacturers estimate an annual saving of $500,000 as one result of this step, not to mention great improvements in convenience to users.

Makers of steel sash have declared that considerable reductions are possible in size and variety in this commodity and have asked the Division's cooperation in developing a program of simplification.

With the adoption of uniform sizes of bank checks by a conference of bankers, bank stationers, lithographers, accounting officers and others, the machinery was set in motion to substitute a few sizes for thousands of variations. Further steps will have to do with the material on the face of the check, a matter which is being referred to Federal Reserve authorities.

A committee which is studying the existing variety in sheet metal ware with a view to preparation of Simplified Practice Recommendations reports that it is nearly ready to submit a program to a general conference of all concerned. The Division will call this meeting in January.

When the Knit Goods Manufacturers Association meets next month, its members will be asked to consider suggested simplifications prepared by the Southern Yarn Spinners Association as regards the variety of numbers and plies of yarns. Russia has "beaten us to it". The Yegoriev-Ramen Trust, after lengthy work, has introduced almost completely the plan of standardization for manufacturing yarns suggested by the Supreme Textile Syndicate, according to reports received by the Division. By the adoption of these standards the number of kinds of finished goods will be reduced from 850 to 96. The number of kinds of coarse goods was reduced last October from 65 to 51, the report states.

The Canadian Club of Toronto, has invited the Chief of the Division to speak at a meeting of the club on January 25th about Simplified Practice. This is only another proof of the interest our northern neighbors have, as several of their trade publications and some of their trade bodies have been represented at simplification conferences.

The Polemic Club of Lincoln, Nebraska, has undertaken a study of simplification during the month. And the Inquisitors' Club, an economists' group, at New Haven recently devoted sessions and discussions to simplified practice, as did the Economists' Club of Yale.

The American Engineering Council is planning a five year program of research, and has asked the Division of Simplified Practice to have a part in the drafting of this program. This indicates the close liaison between the two bodies.

The 275 national and local industrial bodies and the 38 state bodies comprising the National Industrial Council are being called on through the publication of that organization to cooperate actively with the work of the Division, as a result of the emphatic endorsement given by the directors of the Conference some weeks ago in St. Louis, to simplification work. It is hoped that the 38 state manufacturers' associations of the council will each form a cooperating or advisory committee similar to one already formed by the California Manufacturers' Association, to extend interest in the work of Simplified Practice in their respective states.

Inquiries were received during the month from England, Germany, Holland and Sweden regarding the work of the Division and the progress of Simplified Practice in the United States.

Simplified spelling in Osaka, Japan, results in the use of but 2490 characters instead of 6,000. That's not the only interest they have in simplified practice for recent visitors to the Division to study its work, procedure and results, have included Mr. H. Goto, of the Military Arsenal, Tokio, Mr. Yasutaro Hirai, professor of Business Administration, Kobe, Japan, Higher Commercial School, and others.

The General Federation of Women's Clubs, through its Division of Problems of Industry, is conducting a study in forty two states of Simplified Practice, and the elimination of waste through standardization. The subject is one of much interest, apparently, for Mrs. James A. Devitt, chairman of this work, reports receiving calls for additional information. When women, who buyalarge proportion of goods sold, throw their influence behind Simplification, a long step forward will have been taken.